

What roles do HR Practices play in the Employee Wellbeing? Testing a Mediation Model on New Zealand Employees

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The present study explores the wellbeing of employees due to the importance of a healthy workforce. We suggest that human resource (HR) practices – through High Performance Work Systems (HPWS) - may play a central role. The present study explores a mediated model whereby HPWS predict meaningful work (MFW), which predicts work-life balance (WLB), then insomnia, and finally job burnout (emotional exhaustion and cynicism). These relationships are tested using a sample of 525 employees using structural equation modelling (SEM) and the findings show that HPWS is significantly related to all constructs although a partial mediation model fits the data best, with multiple mediation effects supported. Overall, the findings show HPWS helps build perceptions of MFW and WLB, and reduces insomnia (as does MFW and WLB), and in turn these factors directly or indirectly influence insomnia, emotional exhaustion and cynicism. Specifically, the influence of HPWS on job burnout is fully mediated by WLB, indicating that managing job burnout is best understood via HR practices enhancing employees MFW, role balance, and reduced insomnia. The findings suggest that managing employee wellbeing is a complex process working through various factors, and we discuss the implications that such mediated findings clarify.